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DEPARTMENT OF ENERGY
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BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS
OFFICE OF
INTERNATIONAL
PROGRAMS

APR 04 1979

Mr. James R. Shea
Director of International Programs
United States Nuclear Regulatory Commission
Room 6714 - MNBB
Bethesda, Maryland

Dear Mr. Shea:

I refer to your letter dated January 17, 1979, requesting Executive Branch views as to whether issuance of an export license in accordance with the application hereinafter described would be inimical to the common defense and security of the United States:

NRC No. XB001010 -- Application by Saunders-Roe Development, Ltd. for authorization to export to the United Kingdom 1,000,000 curies of tritium over a two-year period. The material in bulk gaseous form would be used to produce sealed light sources for digital watches.

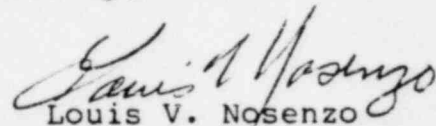
It is the opinion of the Executive Branch that the proposed export may be made without being subject to the terms of an Agreement for Cooperation since byproduct material may be licensed under Sections 81 and 82 of the Atomic Energy Act without the prerequisite of a Section 123 Agreement. Further, it is the judgment of the Executive Branch that the byproduct material export contemplated will not be inimical to the common defense and security of the United States, provided that: 1) the validity of the license is limited to 12 months from date of issuance; and the total quantity to be exported is limited to 500,000 curies in that period; 2) no individual shipment exceeds 30,000 curies and no more than two shipments are made in any given month; and 3) re-export from the UK of the tritium in bulk gaseous form is prohibited unless specifically authorized by the USG.

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The Executive Branch has concluded that this export is consistent with the provisions of the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978. A detailed analysis is believed unnecessary in this case because of the relatively small quantity of material involved per shipment and the non-nuclear end use.

On the basis of the foregoing, the Executive Branch recommends that the license be issued.

Sincerely,

A handwritten signature in cursive script, appearing to read "Louis V. Nosenzo".

Louis V. Nosenzo
Deputy Assistant Secretary